IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS CORPUS CHRISTI DIVISION

M.D., b/n/f Sarah R. Stukenberg, et al.,

Plaintiffs,

VS.

CASE NO. 2:11-CV-00084

GREG ABBOTT, in his official capacity as Governor of the State of Texas, et al.,

Defendants.

SUPPLEMENT ADVISORY TO THE COURT BY AMICUS CURIAE THE REFUGE FOR DMST

TO THE HONORABLE JANIS GRAHAM JACK:

The Refuge for DMSTTM ("The Refuge")¹ by and through its undersigned counsel, respectfully submits this Supplement Advisory to the Court by *Amicus Curiae* following the hearing held on March 30, 2022, and in support would respectfully show:

FACTS FOR THE COURT'S CONSIDERATION

THE REFUGE CEO TESTIMONY

As the Court is aware, the Texas Senate House Human Services Committee held a hearing during which The Refuge's Chief Executive Officer, Brooke Crowder, testified concerning its operating costs. During the hearing held on March 30, 2022, the Court expressed concerns that Ms. Crowder expressed a need to have more money to offer exemplary care and services to its vulnerable residents. Undersigned finds it necessary to share Ms. Crowder's testimony. Ms. Crowder's testimony begins at approximately 1:33:31. At approximately 1:58:21, Vice Chair Representative Gina Hinojosa engaged Ms. Crowder in

¹ The Refuge for DMSTTM refers to the non-profit organization.

some questions concerning the costs related to the provision of care at The Refuge. Below is a summary and not a certified or official transcription of the exchange:

HINOJOSA: I understand you are licensed to have about 40 girls at the Refuge...

CROWDER: Yes.

HINOJOSA: ...but only had 11?

CROWDER: Correct.

HINOJOSA: I'm wondering why, given that we have a challenge in this state for placement? Though you have capacity for many more than 40, but licensed for 40, but only had 11.²

CROWDER: Yes, correct. It goes back to this line of questioning regarding contracts and contractual agreements. So we are licensed by DFPS, but we are not contracted with them. All of the contracts that comes with kids from DFPS are Child Specific Contracts (CSC). Normally these come through the SSCCs. Our daily rate for direct care cost, per girl, is about \$500-\$600 per day. On average, all of our contracts come out to be about \$387 a day. We have contracts with TJJD, DFPS, and SSCCs, and we also do private placement. So on average if you average it out. Most of our CSCs are contracted for \$400 per day. So we have anywhere from a \$100 to \$150 gap per day per girl based on our census. It's quite costly to run a 24/7 facility. Our staff to child ratio is 2:1, not 4:1 as required by licensing, because what we have found in the 3 ½ years we've been open is that we can't manage the trauma and the level of care that we want to give with that ratio. So we have a strong high staff ratio. We also have a medical clinic onsite and we pay for a female gynecologist to come every week. We pay for a nurse to be there every day. We have a UT Charter School on our site. And while the charter school covers most of its cost, we pay for two extra teachers to be there just because of the nature of the girls needing that extra attention. So, we go above and beyond and it is costly. We've never had more than 20 girls. We house them in cottages of 4 girls with a house mother. And every girl has her own bedroom and bathroom. So the cost to maintain a house with 3-4 girls, lots of food, lots of clothing. We would love to be able to fill all of

² The Refuge is only licensed for 40 with a capacity not much more than forty.

our cottages, and that is our goal, but right now it's not a sustainable option for us because we're not funded in the way that we need to be to make that happen.

HINOJOSA: So, just to clarify, you're saying that the actual cost to run the program is much more than what you're being compensated from the state, so you're having to make up that difference, I guess through private funding. So that's a limitation?

CROWDER: Absolutely. 25% of our annual budget comes from our contracts. We did receive a grant from the Governor, and when we added that into our annual budget that covered 39.4% of our annual budget. The rest is all through foundations, and private individual donors.

Ms. Crowder did not request additional funds during that exchange or at any other time during the hearing. She agreed that The Refuge could not fill its available beds and continue to sustainably operate at the DFPS current rate. This is part of the reason The Refuge takes placements from other sources to ensure it remains operational and can continue to offer the exceptional specialized services to its residents. To be sure, the quality care set by The Refuge exceeds any basic standard or any standard currently available to this vulnerable population. As a result, the number of residents is adapted to the facility's ability to provide exceptional care which is supplemented by funding from private sources and fundraising efforts. Without its residents and its supporters, there is no Refuge. The Refuge is grateful for the placements they did have and especially grateful for the generous donations and grant funding that allowed them to accept placements at a cost well below its average daily cost per placement. Indeed, The Refuge hopes to have its license reinstated under whatever conditions the Health and Human Services Commission deems necessary so The Refuge can continue to serve the vulnerable population of trafficked young girls for which it exists.

EXPLOITATION

There exists <u>no evidence</u> that a Director or any other supervisory level employee at The Refuge knew about any staff capturing, possessing, sharing, or selling any inappropriate photographs of its residents. Nor does there exist any evidence that anyone knew about the exploitation series of events other than the perpetrator and the two victims. When two Refuge employees became aware of it, the incident was

immediately reported to DFPS and BCSO. As with all other incidents requiring reporting to law enforcement or DFPS, very little time elapsed between a Director learning of the incident and her reporting it to the proper authorities. Any inference to the contrary is pure conjecture or patently false.

CITATIONS

As indicted in the Monitor's report, The Refuge has been cited 43 times since it was licensed in 2018, at least six of which were directly related to the reports made to Intake by The Refuge *itself* following the January 24, 2022 and February 20, 2022 incidents.³ Another two citations were given as a direct result of the investigation concerning the January 24, 2022 outcries.⁴ In fact, The Refuge was cited approximately 11 times for the incidents identified between January 24, 2022 and the time the young girls were removed on March 9, 2022. These citations were discussed several times during the Human Services Committee hearing. During those exchanges, at least one member pointed out that The Refuge's number of citations were below average for similarly situated facilities. Taking into account those given for the January 24 and February 20 incidents, the number is well below average when compared to other residential facilities.

Dated: April 4, 2022 Respectfully Submitted,

JACKSON WALKER L.L.P.

By:

ERICA BENITES GIESE

Bar No. 24036212

E-mail: egiese@jw.com 112 E. Pecan Street, Suite 2400

San Antonio, TX 78205

(210) 978-7713

(210) 242-4613 (fax)

Counsel for The Refuge for DMST

⁴ See id.

³ See Update to the Court Regarding The Refuge for DMST at p. 4 (Doc. 1218).